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MEMORANDUM FOR THE RECORD

SUBJECT

Meeting at Department of State 1100-1130 hours, 17 July 1978

PARTICIPANTS:

Assistant Secretary of State for InterAmerican Affairs designate Viron P. Vaky
Deputy Assistant Secretary of State for
Inter-American Affairs John Bushnell
Deputy Assistant Secretary of State for
Inter-American Affairs Sally A. Shelton
Deputy Assistant Secretary of State for
Inter-American Affairs Francis J. McNeil
Assistant Secretary of State for Economic
Affairs Richard Arellano
INE/DDC Theodore J. Heavner

Chief, Latin America Division

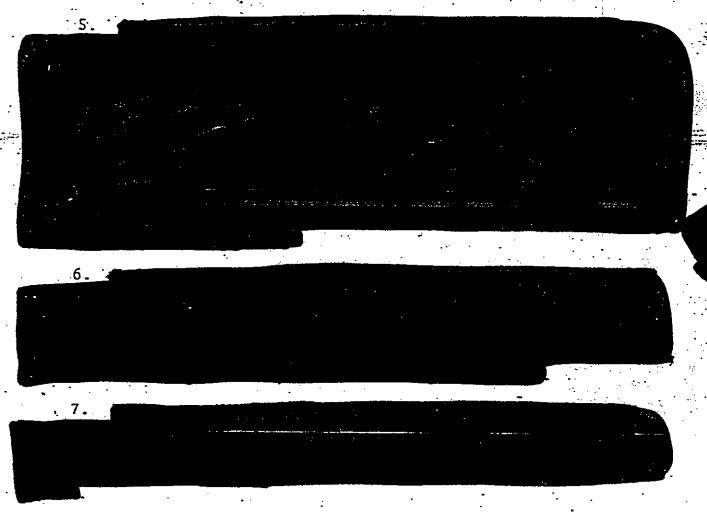
Acting Deputy Chief, Latin America Division

1. Chief, LA congratulated Mr. Vaky on his new appointment. Mr. Vaky said that he had been confirmed on 14 July and would be sworn in on 21 July.

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July 2000

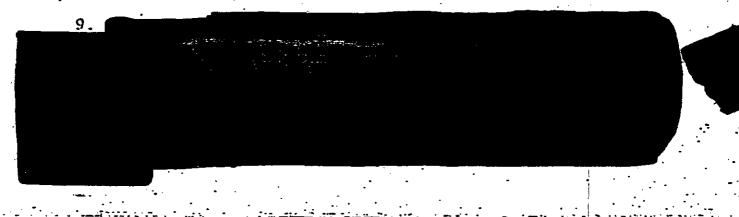
Review of Human Rights Policy as it Pertains to Chief, LA asked whether Mr. Vaky intended to Latin America. review the effect that U.S. policy on human rights was having on our relations with Latin America. Chief, LA said that the policy was a clear success, in protecting the rights of the person but debatable insofar as moving military governments towards democratic principles and procedures. Mr. Arellano recommended that USG review the monetary cost of the policy through the loss of sales to many Latin American countries. Miss Shelton said that the arms suppliers were complaining, not only about the loss of sales but about the bureaucratic delays involved in their requesting export licenses. Mr. Vaky said that the issue was a broad one which needed considerable thought. He also said that he was going to keep a weather eye open for alignments of military regimes against the U.S. on various issues.



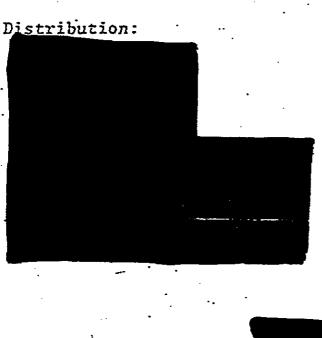
8. Possible Use by the Chileans of an Alleged Townley-CIA Connection. Mr. McNeil referred to a recent message from the Ambassador in Santiago in which he said he had reason to



believe that the Chileans would construct a case that Michael Townley was a CIA agent. Mr. McNeill said that he intended to draft instructions for use by the Ambassador with President Pinochet with the objective of forestalling any Chilean use of the allegation to divert attention from their role in the Letelier murder. Chief, LA suggested that if the Chileans did in fact publicize the allegation he would favor a public denial rather than the usual "no comment." Mr. McNeil agreed and added that the Department would have to devise a proper public response.



Acting Deputy Chief, Latin America Division





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